

OK



GARY R. HERBERT

Governor

GREG BELL

Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

## Inspection Report

|                  |                           |
|------------------|---------------------------|
| Permit Number:   | C0250005                  |
| Inspection Type: | PARTIAL                   |
| Inspection Date: | Wednesday, April 27, 2011 |
| Start Date/Time: | 04/27/2011 9:00:00 AM     |
| End Date/Time:   | 04/27/2011 12:00:00 PM    |
| Last Inspection: | Wednesday, April 20, 2011 |

Inspector: Joe Helfrich

Weather: partly cloudy, 65, slight breeze

InspectionID Report Number: 2732

Accepted by: jhelfric

05/04/2011

Permittee: **ALTON COAL DEVELOPMENT LLC**

Operator: **ALTON COAL DEVELOPMENT LLC**

Site: **COAL HOLLOW**

Address: **463 North 100 West, Suite 1, CEDAR CITY UT 84720**

County: **KANE**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

#### Current Acreages

|        |                        |
|--------|------------------------|
| 635.64 | <b>Total Permitted</b> |
| 435.00 | <b>Total Disturbed</b> |
|        | <b>Phase I</b>         |
|        | <b>Phase II</b>        |
|        | <b>Phase III</b>       |

#### Mineral Ownership

☒ Federal

☐ State

☐ County

☒ Fee

☐ Other

#### Types of Operations

☐ Underground

☒ Surface

☐ Loadout

☐ Processing

☐ Reprocessing

#### Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

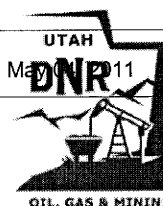
NOV 10078 was terminated. Water was not being discharged through the pipe in the Robinson Creek diversion dike. Water was being pumped to pond 3. Since this pond has a tendency to remain full it was recommended that water from behind the dike be pumped into a dust control vehicle until the proper detention time can be demonstrated. Photos were taken of pit #1. The permittee was requested to stop backfilling the pit to allow ACD and the Division the opportunity to obtain hydrologic and engineering information about the water and material in the pit and to notify the inspector when the backfilling had ceased. The permittee did not notify the undersigned but did contact the Division's engineer James Owen asserting that the inspector had told ACD representative Kirk Nicholes to stop mining. The only activities in pit 1 at the time of the inspection were backfilling and core sampling of the exposed coal seam that were occurring simultaneously and not interfering with each other. The backfilling has continued precluding the Division and ACD the opportunity to assess potential ground water contamination and engineering concerns in those portions of pit 1 that have been backfilled. A meeting is scheduled for Thursday, May 5th at 1:00 PM to discuss the outcome of the Division's concerns associated with the water and high sulphur coal in pit 1.

Inspector's Signature:

*Joe Helfrich*  
Joe Helfrich,  
Inspector ID Number: 1

Date

Wednesday, May 4, 2011



Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.  
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## Inspection Continuation Sheet

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### REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

|  | Evaluated                           | Not Applicable           | Comment                             | Enforcement              |
|--|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| 1. Permits, Change, Transfer, Renewal, Sale                      | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 2. Signs and Markers   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 3. Topsoil   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 4.a Hydrologic Balance: Diversions                               | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.b Hydrologic Balance: Sediment Ponds and Impoundments          | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.c Hydrologic Balance: Other Sediment Control Measures          | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 4.d Hydrologic Balance: Water Monitoring                         | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 4.e Hydrologic Balance: Effluent Limitations                     | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 5. Explosives  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 6. Disposal of Excess Spoil, Fills, Benches                      | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 7. Coal Mine Waste, Refuse Piles, Impoundments                   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 8. Noncoal Waste   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 9. Protection of Fish, Wildlife and Related Environmental Issues | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 10. Slides and Other Damage                                      | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 11. Contemporaneous Reclamation                                  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 12. Backfilling And Grading                                      | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 13. Revegetation   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 14. Subsidence Control   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 15. Cessation of Operations                                      | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 16.a Roads: Construction, Maintenance, Surfacing                 | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 16.b Roads: Drainage Controls                                    | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 17. Other Transportation Facilities                              | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 18. Support Facilities, Utility Installations                    | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 19. AVS Check  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 20. Air Quality Permit   | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 21. Bonding and Insurance  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 22. Other  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |

**4.a Hydrologic Balance: Diversions**

A temporary diversion ditch has been installed where the NOV 10078 occurred. The NOV is terminated effective April 22nd 2011.

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

Disturbed area water was being pumped from behind the Robinson Creek dike to pond 3. The permittee will need to demonstrate that that activity is allowed as described in the approved MRP and that the pond is adequately sized to handle the additional disturbed area water. This compliance issue will be evaluated at the Division's Salt Lake office on Thursday, May 5th at 1:00 PM. The permittee was requested to cap the pipe in the dike again.

**6. Disposal of Excess Spoil, Fills, Benches**

See the comments in the inspection report summary.